

ISSUES AND CHALLENGES OF MANAGEMENT EDUCATION IN MALAYSIA

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ABSTRACT

This paper explores some of the pertinent issues and challenges of management education in Malaysia. Management education has seen a remarkable growth in the recent years as reflected in the steep rise in the number of institutes offering programs in management at various levels. These institutions of higher learning (IHL) which offers management education; need to play a major role in producing the right quality and quantity of managers to meet the requirements of marketplace. This is a qualitative paper based on inputs from informal discussions with several management educators, management consultants, management students and managers, which had taken place at several meetings, seminars and conferences over the last five years and also a review of literature in field of management education. This paper also provides some recommendations to improve the effectiveness of management education in the context of Malaysia.

Keywords: Management education, Management competencies, Education in Malaysia

1. INTRODUCTION

Malaysia has made tremendous improvement in higher education especially in term of the number of graduates produced by the institutions of higher learning (IHL) both public and also private. In a recent report in the Sun, dated 20 March, 2007 the percentage of those aged between 25 and 64 in Malaysia with tertiary qualifications increased to 11.1% in 2002 from just 6.2% in 1995; and this number is expected to double in the next seven years. These graduates are from various fields and disciplines which includes science and technology, arts and humanities, medicine and law, information communication technology, and also in the field of business and management. The field of business management includes several sub areas such as accounting and finance, economics, management information systems, marketing and management, which also includes human resource management. The focus of this paper is on management education of the discipline of management (includes areas of management such as human resource management, organizational behavior and international management).

In the context of Malaysia, management education has come to much criticism in recent times from the industries due to the inability of graduates to put what they have learned

into practice (Sunday Star, 6 November 2005). The blame has been largely placed on the IHL for not producing the required quality graduates who can meet the needs of the industry. Producing employable graduates both in terms of quality and quantity is one of the main objectives of any IHL besides research and development activities. Unlike engineering and science, management is an interdisciplinary field with contributions from various fields such as psychology, social psychology, sociology, anthropology, political science, economics and finance (Muniapan, 2005). Contemporary management also includes issues related to cross-cultural management and international management. Increasingly the understanding of management is coming to depend on understanding, analyzing and predicting organizational behavior, which is the basis for human resource management.

In Malaysia, currently there are twenty public universities, eleven private universities, four foreign university campuses, fifteen university colleges and more than 500 private colleges and management institutions offering management education (<http://www.mohe.gov.my>). These are IHL's approved by the Ministry of Higher Education. The Ministry of Higher Education was established in 2004, with a vision of making Malaysia a centre of education excellence. Since early 1990s the numbers of private educational institutions with foreign links especially from United Kingdom (UK), United States (US), Australia and New Zealand have been increasing at a rapid pace.

Recently the government through the Ministry of Higher Education has set up the Malaysian Qualification Agency (MQA), which would facilitate international recognition of qualifications given out by public and private universities in Malaysia. MQA, which will oversee the implementation of the Malaysian Qualifications Framework (MQF) and the IHL, will also be required to conform to the standards for quality assurance procedures set out in the Malaysian Qualifications Framework (MQF). Among the several courses offered by the IHL, business and management courses seems to be the most popular degree courses offered both at the undergraduate and postgraduate level, thus management education in Malaysia has been witnessing increasing growth and demand over the last two decades and the demand for management education is also expected to grow with the increase in demand for efficient and effective managers.

2. MANAGEMENT EDUCATION

Management is an art of getting things done through people, efficiently and effectively. The study of management itself is interesting and exciting. One of the keys to successful management is the ability to understand and apply modern management principles and techniques effectively. Managers must develop an in-depth knowledge of past and present models, theories and processes to manage effectively and intelligently. Contemporary management practice is pervasive in every aspect of human life within all types of organizations.

Research in the area of management education in Malaysian context is limited as only few studies were conducted over the last five years. In one of the study, the issue of quality and

quality practices in Malaysian higher education was by Sohail, Rajadurai and Abdul Rahman (2003). Their study involves investigation of management system prior to and after implementation of quality system for a private college in Malaysia. An earlier study was conducted by Tay (2001), which was indirectly related to management education on management perception of MBA graduates. In the international context, Adcroft, Wills and Dhaliwal (2004) conducted a study on management education and entrepreneurship in the UK, Jagdeesh (2000) made a study in the Indian context while Holian (2004) made similar study in the Australia and recently Vittala (2005) made a study on management competency model in the context of Finland, which indirectly relates to management education.

Management education is seen as a means to facilitate learning of job-related behaviors in order to improve performance and the focus has been on teaching facts, modifying attitudes and behaviors, besides developing the required managerial skills (Krishnan, 2006). Management education is the mechanism for transferring the knowledge contained within management subjects from the holder of that knowledge (the academics in the universities and institution of higher learning) to the persons desirous of receiving that knowledge (the students)(Elmuti, 2004). However, one of the great disservices of management education has been the formulation of the idea that there is an exact science of management that can be learned like engineering, science or computer programming (Trivedi & Sudarshan, 2003). As a result, management cannot be taught using the same methodologies of teaching engineering, science or computer programming.

The aim or the purpose of management education is to produce efficient (doing thing right) and effective (doing right things) managers who will be able to contribute to the organizational and societal growth. Henry Mintzberg (1973), in his book the *Nature of Managerial Work* (cited in Robbins, 2003) provided ten roles of managers play for increasing organizational effectiveness, which can be divided into interpersonal roles, informational roles and decisional roles. Interpersonal roles include the roles of managers such as figurehead, leader, and liaison roles, which arises from a manager's status and authority in an organization. Among the activities associated with these roles directly involve implementing interpersonal contact and developing relationships among people. Informational roles of the managers include monitor, disseminator, and spokesperson roles, relates to the receiving and transmitting of information, while decisional roles include entrepreneur, disturbance handler, resource allocation and negotiator roles. Decisional roles might be the most crucial part of a manager's work as performing the roles justifies the manager's great authority and his powerful access to information. Mintzberg (1973 as cited in Robbins, 2003) emphasized that these roles involved the managers in the strategy-making process in their respective organization.

In order to play these roles effectively, managers need some sets of skills; Robbins (2003) also cited Robert Kaltz's (1955) three types of managerial skills, which includes technical skills, human skills and conceptual skills. Technical skills refer to the ability to apply specialized knowledge or expertise. People can learn the special knowledge and practices in their field of study through formal education in schools, and not all technical skills have

to be learned in schools or formal training programs. Many people develop their technical skills on the job. A lot of technical skills related to management requires on the job training and education. A human skill is the ability to work with, understand, and motivate other people, both individually and in groups. Since managers get things done through other people, they must have good human skills to communicate, motivate, and delegate their people to achieve organizational goals. A conceptual skill is the mental ability to analyze and diagnose complex situations. Different managers at different levels in the hierarchy of management within an organization do not need the same combination of the three sets of skills. In general, managers at lower levels need to have more technical skills while the counterparts at higher levels should have stronger conceptual skills. Management education must spring from the management roles and skills and requires mastery of the management roles and skills and not merely understanding the knowledge of management roles and skills.

Besides the pioneering work by Katz (1955), Smith, W.L., Schallenkamp, K. and Eichholz, D.E. (2007) in a recent study on entrepreneurial skills cited a study by Lyons (2002) who described four sets of essentials skills for effective and enterprising managers. His study is an extension of Katz technical, human and conceptual skills. The skills highlighted by Lyons are technical, managerial, entrepreneurial and personal mastery skills. Table 1 – 4 describes the above mentioned skills.

Table 1 : Technical skills

<i>Number</i>	<i>Skill set</i>	<i>Description</i>
1	Operational	The skills necessary to produce the product or service
2	Supplies/Raw materials	The skills to obtain them, as necessary
3	Office or production space	The skills to match needs and availability
4	Equipment/Plant/Technology	The skills to identify and obtain them

Table 2 : Managerial skills

<i>Number</i>	<i>Skill set</i>	<i>Description</i>
1	Management	Planning, organizing, supervising, directing, networking
2	Marketing/Sales	Identifying customers, distribution channels, supply chain
3	Financial	Managing financial resources, accounting, budgeting
4	Legal	Organization form, risk management, privacy and security
5	Administrative	People relations, advisory board relations
6	Higher-order	Learning, problem-solving

Table 3 : Entrepreneurial skills

<i>Number</i>	<i>Skill set</i>	<i>Description</i>
1	Business concept	Business plan, presentation skills
2	Environmental scanning	Recognize market gap, exploit market opportunity
3	Advisory board and networking	Balance independence with seeking assistance

Table 4 : Personal maturity skills

<i>Number</i>	<i>Skill set</i>	<i>Description</i>
1	Self-awareness	Ability to reflect and be introspective
2	Accountability	Ability to take responsibility for resolving a problem
3	Emotional coping	Emotional ability to cope with a problem
4	Creativity	Ability to produce a creative solution to a problem

3. BENEFITS OF MANAGEMENT EDUCATION TO ORGANIZATIONS

With the growing economy in Malaysia and its vision to become a developed country in 2020, the need for effective management education is necessary to produce world-class managers in Malaysian organizations. As organizational failures often result from poor management skills of the managers, the need to increase managerial effectiveness is bound to benefit any organization and society. Emulti (2004) cites Longenecker and Ariss (2002) in describing the benefits of management to the organization. Management education is beneficial to organizations because an effective management education program can help organizations create competitive advantage through:

- Exposing students or managers to new/better ideas and business practices which are needed in rapidly changing business environments;
- Motivating student or managers to improve performance (both theirs and that of their operation) and actually helping them develop and improve their skills;
- Providing opportunities for reflection and self-appraisal; helping student or managers identify specific performance problems and deficiencies;
- Increasing a student or manager's confidence, reducing stress level and challenging them to think differently about their business situation and themselves; and
- Encouraging students as future managers to think about their career development and setting a good example for subordinates who see their leaders trying to learn and improve themselves through participating in management education programs.

The benefits of the management education however depends entirely on the ability of students to put what they have learned into practice depending upon the clarity and consistency of the theories, models, principles, and practices presented to them throughout the curriculum. Emiliani (2004), cited a study by Pfeffer and Fong (2002) in the American context which suggests that business school education overall has not been very effective.

The education was not found to correlate with career success, and business school research was found to have little influence on management practice. In the context of Australia, a report called “Karpin Report” released in 1995, provides detailed outcomes from a major government task force set up to identify effective management practices. The findings include recommendations as to how the tertiary education sector could improve management education programs to better meet the needs of the industry. Among the suggestions include an increasing emphasis on soft skills, internationalization, and cross-functional integration, diversity and links to industry (Holian, 2004). In the context of Malaysia, a management practitioner from a multinational corporation based in north peninsular, commented that management theories and approaches in the textbooks contradict one another and many of these theories and approaches may not be applicable in the real workplace, he further commented that as most of the theories and approaches have the origin in the west, it might not fit into the Malaysian collectivist culture. Management lecturers and educator in the IHL can teach right and wrong of management, but ultimately it is the graduates who have to put into practice what they learned in order for the teaching to have an impact in the real world.

4. ISSUES AND PROBLEMS IN MANAGEMENT EDUCATION IN MALAYSIA

It is probably impossible to find a perfect management education program and it is also probably impossible to find the best formula for efficient and effective management. Management effectiveness and quality of management education is a process of continuous improvement as quality is a journey and not a destination.

In Malaysia, among the key issues and problem in the management education has been the ever-increasing number of institutes and schools offering undergraduate and postgraduate courses in management education. This has raised one common question pertaining to quality of education. Although in Malaysia, there is an accreditation board called NAB (National Accreditation Board or LAN by its Malaysian acronym), which is responsible to approve and monitor the courses offered by private institutions of higher learning, there are still many institutions, which are operating and offering programs without the NAB approval. A standard fee for a certificate program is RM 5,000, for a diploma is RM 6,000, while for a degree program is RM 7,000 and the private institutions also need to pay accreditation for the second stage of the quality process (Ayob & Yaakub, 2000).

It is important to note there are several private institutions without NAB approval cashing in on the rising demand for management education degrees and operating the programs illegally. With inadequate infrastructure, untrained academic staff, and management expertise, the institutes are displaying poor business sense ignoring the real customer, the industry or the corporate recruiter. Jagdeesh (2000) also found similar scenario in the context of Indian management education. In the case of collaboration with foreign universities, several institutions of higher learning are offering a program for which a foreign university awards a degree mostly from UK, US, Australia or New Zealand. The attraction of foreign degrees has made many students enroll in these institutes, as in

Malaysia degrees from the above-mentioned countries are always respected and reputable. This has resulted in some private institutions offering programs with a degree awarded by bogus universities or collaborator universities whose credentials are not known. The most popular programs are Bachelor of Business Administration (BBA) and Master of Business Administration (MBA). Thus the students take a certain amount of risk when joining these programs and of course, there is no guarantee that employers will recognize these programs; moreover the qualities of these programs are also questionable.

Jagadeesh's (2000) study in the context of India also seems to be applicable in the context of Malaysia, in terms of inability of private institutions of higher learning to attract bright students into management discipline. Bright students with good results mostly enroll in the science disciplines such as medicine or engineering and even if they enroll in a business programs their first choice seems to be accounting and finance rather than management. Although every management school in IHL would love to draw bright students, it is difficult to attract them, because they too would be evaluating the quality of institutions before joining. Besides, if the fees charged are high, not many students may be able to enroll, thereby eroding the viability of the program. For example, the total fee for an undergraduate management degree is almost four to five times more in private institutions of higher learning compared to the public universities. This has prompted some institutions to compromise during admission itself. It is not a secret to find that many institutions tilt the admissions in favor of those with a heavy purse, ignoring their capabilities. Paradoxically enough, many bright students may not be able to join due to their non-affordability of high fees and also availability of places in the public universities. Often it may not be possible to exercise strict quality control in many private institutions because, with poor quality students joining the course, maintaining high standards may lead to more failures among the students in meeting the prescribed standards. Many students may even have to drop out of the programs because of their inability to meet the minimum standard. This would result in negative publicity and may adversely affect the admissions for the coming years. Thus dilution of standards sets in voluntarily and almost seems inevitable in some cases. Once students with lesser capabilities are admitted, the academic staff would be under severe strain to bring the best out of them. Again, if the assessment methods insist on high quality, many students would automatically fail to get even minimum scores or grades. Thus to project a healthy picture and to attract student numbers, the assessment criteria are lowered leading to dilution of standards. However, when it comes to final assessment in the hands of recruiters and prospective employers, the low quality of output churned out by the private institution gets seriously exposed, putting credibility of the institutions itself at stake. However, revenue is given first priority ahead of quality, bringing down the standards and quality of management education in most cases.

In addition to the difficulty of attracting bright students, attracting good and competent academic staff also seems to be problem as remuneration in the IHL is not as attractive as in the industries. Moreover, even after recruitment, good academic staff is difficult to retain, unless they see career growth and high returns. Quite often they are head hunted by the competitors. Sometimes, people from industries get attracted towards an academic career and take up the role of lecturers and management educators, but often they find the

job neither satisfactory nor challenging compared to their earlier profession, compelling them to quit the job. Another common feature is the high rate of academic staff turnover in almost all private institutions of higher learning. Many people join the profession of management education full time, but leave within a short span of one to two years. During a discussion with an academic staff of a private institution in East Malaysia, he compared his school within the institution to a hotel where the academic staff joins checking in during the beginning of a semester and checking out when the semester ends, meaning they stay only for one semester or not more than four months. Some common reasons identified includes disillusionment with the profession, lack of support from the top management, poor administrative support with lazy administrators, absence of autonomy in academic and non-academic matters, poor monetary rewards, work load not appealing or uninteresting, and not being able to cope with student demands. By the time an academic staff becomes acquainted with the profession or the place, he or she decides to quit in disappointment, seeking a new career. This discontinuity drastically affects the quality of functioning and efficiency of programs.

Another academic in a private institution of higher learning commented on lack of leadership in his institution. According to the academic from a private institution in northern peninsular Malaysia, poor leadership and lack of commitment and motivation from top management is one of the main reasons which creates a barrier to the growth and effectiveness of many private institutions and management school. The turnover of the principals, management staff and lecturers are high and in his institution there was always a farewell lunch or dinner. He commented that a number of institutions employ retired academicians to occupy prime and decision-making positions and many of these retired academics lack vision, motivation and commitment with no interest in promoting the institutions and management education. They continue to imbue the same culture inherited from their previous organization in most cases public sector, which may not fit into the new organization especially the private institutions.

During another conversation with a renowned human resource management consultant in Malaysia recently by the author, the problem of westernized management education with continuous use of western-based teaching materials such as the textbook, case studies, assessment instrument, etc will not improve the management education in Malaysia. He further asserted that most Malaysian students and managers are still mentally colonized and feel that whatever from the west must be good. Management educational programs in IHL tend to place too much emphasis on western management theories and concepts, which were written, in a different cultural context.

5. HOW MANAGEMENT EDUCATION IN MALAYSIAN IHL CAN BE IMPROVED?

Hogan and Warrenfeltz (2003) cited in Elmuti (2004) regard education as the “end product of learning”. Thus, management education would be shaping the students mindset in acquiring the required knowledge, skills and abilities (KSA). In general, we find that management education views management as a discipline that can be learned through

classroom (off the job). Thus, it tends to focus on the delivery of a broad range of conceptual knowledge in the various fields and functional disciplines of management.

The Ministry of Higher Education and NAB need to monitor and enforce the existing laws to prevent and close the operation of many non-accredited and illegal foreign based management educational programs at both undergraduate and postgraduate level. This is to ensure students who enroll for any management or other academic programs are ensured of good quality of education, good facilities and also value for money. This will definitely strengthen the development of Malaysia as the regional education hub.

The emphasis on western management theories and concepts used in teaching management education in Malaysian IHL is one of the problems and issues identified earlier. Therefore, the author suggests the need to increase Malaysian based management research and textbook publications, Malaysian based case studies and even developing Malaysian management models or theories as in the case of American, Swedish, Japanese and Indian management theories. This can also help “glocalization” of management education. Foreign management models can be taught in comparative management programs. The government through the Ministry of Higher Education need provide incentives to local management authors and researchers to conduct research and publish in Malaysian management contexts and Malaysian based management case studies.

Furthermore, an urgent need is required for management education offered by IHL to provide the required KSA to meet the current and future challenges and the requirements of the marketplace. There is a strong need for IHL to link with industries in terms of management research and development. The current perception in Malaysia is that IHL is not motivated to cooperate with the industries and vice versa. Apart from theoretical and foundation knowledge taught in classrooms, practical management training to undergraduate students should be made compulsory to enhance their learning experience. This can be a win-win situation for IHL and industries (Muniapan, 2003; 2005). A former Director of Human Resources for a large conglomerate in management discussions recently, suggested the possibility of bringing management practitioners into classrooms as adjunct lecturers to share real life management experiences. He asserted that when it comes to subjects like management and human resource management, inputs from practitioners would enhance and add value to the students.

Besides, in the IHL, a paradigm shift from traditional teacher or lecturer centered to student centered learning is required. This is because excellence in teaching begins with the realization that it is not the teaching but learning that is important. The responsibilities of the IHL goes beyond the teaching management; it is to help students to develop and master various work skills such as interpersonal communication, decision making and problem solving skills (Muniapan, 2005). A good, strong, motivated and committed leadership is also required at IHL to attract, develop and retain good academic staffs, which eventually can contribute positively to the growth and the effectiveness of the IHL.

6. CONCLUSION

In this paper, some of the pertinent issues of management education have been highlighted and the recommendations to improve the effectiveness of management education in the context of Malaysia have also been provided. With the continuous growth of management education and the need for effective managers, the IHL and also the Ministry of higher education have an important role to play to improve the effectiveness of management education help to make Malaysia a regional hub for management education. These, however will requires a lot of rethinking and also revitalizing of management education. The purpose is to improve the management practices, organizational effectiveness, also societal well being and national development towards achievement of Vision 2020.

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